

## **MINUTES**

### **MONTANA SENATE 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON BUSINESS AND LABOR**

**Call to Order:** By **CHAIRMAN MIKE TAYLOR**, on January 17, 2001 at 8:00 A.M., in Room 422 Capitol.

#### **ROLL CALL**

**Members Present:**

Sen. Mike Taylor, Chairman (R)  
Sen. Mike Sprague, Vice Chairman (R)  
Sen. Edward Butcher (R)  
Sen. Vicki Cocchiarella (D)  
Sen. Sam Kitzenberg (R)  
Sen. Dale Mahlum (R)  
Sen. Glenn Roush (D)  
Sen. Don Ryan (D)

**Members Excused:** Sen. Dale Berry (R)

**Members Absent:** None.

**Staff Present:** Bart Campbell, Legislative Branch  
Kyanne Kelly, Committee Secretary

**Please Note:** These are summary minutes. Testimony and discussion are paraphrased and condensed.

**Committee Business Summary:**

Hearing(s) & Date(s) Posted: SB 142, 1/14/2001; SB 164,  
1/14/2001  
Executive Action: SB 142

**HEARING ON SB 142**

**Sponsor:** SENATOR MIKE SPRAGUE, SD 6, BILLINGS

*{Tape : 1; Side : A; Approx. Time Counter : 0.6}*

**Proponents:** Lee Baerlocker, Montana Department of Revenue

**Opponents:** None

**Opening Statement by Sponsor:**

*Tape : 1; Side : A; Approx. Time Counter : 0.6*

SENATOR MIKE SPRAGUE, SD 6, BILLINGS, stated this bill is designed to deal with the liquor licenses that become available due to the Department of Revenue seizing the property, usually in a drug bust or some other violation of the Department of Revenue codes.

**Proponents' Testimony:**

Lee Baerlocker, Montana Department of Revenue, said this bill provides clear direction and assists the Department of Revenue in finding a qualified buyer. He gave a hand-out which graphically illustrated the way this situation is currently dealt with, and the way it would be dealt with if this bill passes.

**EXHIBIT**(bus13a01)

**Opponents' Testimony:** None

**Questions from Committee Members and Responses:**

*{Tape : 1; Side : A; Approx. Time Counter : 6}*

SENATOR ROUSH wanted to know why the state wouldn't share in the revenue from sale of the license.

Lee Baerlocker said the state does not share in this money at this time, nothing would change in that regard due to this bill.

SENATOR MAHLUM asked where the money goes from the sale of the license.

Lee Baerlocker said the Department of Justice would receive the money.

**SENATOR MAHLUM** asked if the license would sell for an inflated price.

**Lee Baerlocker** said it would be for market price.

**Closing by Sponsor:**

**SENATOR MIKE SPRAGUE, SD 6, BILLINGS**, stated this situation does not happen much. There are 3 cases in the past couple of years, but the bill would facilitate the process when it does happen.

**HEARING ON SB 164**

**Sponsor:** **SENATOR WALTER McNUTT, SD 50, SIDNEY**

**Proponents:**      **Jerry Keck, Department of Labor and Industry**  
                         **Kevin Braun, Department of Labor & Industry**  
                         **John Gregory, Crawford & Company**  
                         **Cheryl Lee, Association of Worker's Comp Adjusters**  
                         **George Wood, Montana Self Insurers Association**  
                         **Nancy Butler, State Fund**

**Opponents:**      **Jacqueline Lenmark, American Insurance Association**  
                         **Stan Kallis, National Council on**  
                         **John Metropoulos, Association Independent Insurers**

**Opening Statement by Sponsor:**

**{Tape : 1; Side : A; Approx. Time Counter : 12.8}**

**SENATOR WALTER McNUTT, SD 50, SIDNEY**, said the bill can be broken out into three categories of change. He said the first part would be procedural and technical fixes to the law. He noted that the second part would be fixes to administrative assessments and the third part would be some general housekeeping.

**Proponents' Testimony:**

**Jerry Keck, Department of Labor and Industry**, spoke to three sections of the bill. **EXHIBIT (bus13a02)**

**Kevin Braun, Department of Labor & Industry**, went over all the other sections.

**John Gregory, Crawford & Company**, said by passing this bill the most important thing that would happen would be a local accountability and also there would be local access to the Workers' Comp system.

**Cheryl Lee, Association of Worker's Comp Adjusters**, said she thinks claims adjusted within the state offer closer working relationships with the employers, medical providers, and injured worker. **EXHIBIT (bus13a03)**

**George Wood, Montana Self Insurers Association**, said he had an opportunity to give his opinion as the bill was being drafted and he supports it.

**Nancy Butler, State Fund**, supports this bill.

**Opponents' Testimony:**

**Jacqueline Lenmark, American Insurance Association**, suggested some amendments.

**Stan Kallis, National Council on Compensation Insurance**, said he there was not any need for two different groups to be overseers.

**John Metropoulos, Association Independent Insurers**, opposed section two of the bill, but supported the rest of the bill.

**Questions from Committee Members and Responses:**

**SENATOR MIKE SPRAGUE** asked if adjusters are licensed.

**Jackie Lenmark** said they can be licensed, but are not required to be licensed.

**CHAIRMAN TAYLOR** asked how it is handled if the adjuster is from out of state and there is a need to do an on site inspection.

**Jackie Lenmark** said they would send the nearest adjuster to do the on site inspection.

**Closing by Sponsor:**

**{Tape : 2; Side : A; Approx. Time Counter : 16.8}**

**SENATOR WALTER McNUTT, SD 50, SIDNEY**, said relying on out of state adjusters is not timely and not very efficient.

**EXECUTIVE ACTION ON SB 142**

**Motion/Vote:** SEN. MAHLUM moved that **SB 142 DO PASS. Motion carried unanimously.**

**ADJOURNMENT**

Adjournment: 9:30 A.M.

---

**SEN. MIKE TAYLOR, Chairman**

---

**KYANNE KELLY, Secretary**

**MT/KK**

***EXHIBIT*** (*bus13aad*)